

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

May 5, 2006

Jay Gatten North American Exploration, Inc. 447 North 300 West, Suite 3 Kaysville, Utah 84037

Subject: Deficient Notice of Intention to Commence Small Mining Operations,

James L. Terry, Imagine Mine, M0550025, Task #1379, Wayne County,

Utah

Dear Mr. Gatten:

The Division of Oil, Gas and Mining has reviewed the referenced Notice of Intention to Commence Small Mining Operations. The following items need to be addressed before the notice can be approved:

- 1. The mineral owner is listed as the U. S. Forest Service, but it appears from the application that the operator has filed placer claims with the Bureau of Land Management. In this case, the Bureau of Land Management would administer the minerals. Please correct the notice as needed. Please also include the Forest Service project number.
- 2. Please confirm the legal description. It appears part of the disturbed area would be in the SE¼ SE¼ SW¼ of Section 10.
- 3. The notice indicates there would be no new or improved roads, yet the map included with the notice does not show roads going to the sites. Please clarify how the sites will be accessed.
- 4. The notice needs to include an operations map at a scale of about 1"=200'.
- 5. The Surface Map and Operation Plan map shows a disturbance area of 1.92 acres, but the text indicates it would be 2.0 acres. Please correct this discrepancy. The reclamation surety will be calculated for two acres.
- 6. The operations plan says, "Water . . . would not be discharged directly

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into the creek." This indicates there would be an indirect discharge. Is this correct? If so, it would require a discharge permit from the Division of Water Quality.

The Division understands the Forest Service has asked for a plan of operations. Once the Forest Service has evaluated this plan and you have responded to the items listed in this letter, the Division will coordinate with the Forest Service calculation of a reclamation surety amount.

If you need further information, please contact Paul Baker at 801-538-5261 or me at 801-538-5258. Thank you for your cooperation.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

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SMW:PBB:pb

cc: Rob Hamilton, Teasdale Ranger District

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